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SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XXXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

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E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

[1](#)1. Mideast

[1](#)2. Iran

Key stories in the media:

The Jerusalem Post reported that Israel expects the US to formally

confirm the Annapolis meeting on Friday for the last week of November. Major media suggested that President Bush would host the opening evening on November 25, with two or three days of summit talks to follow. The Jerusalem Post quoted a source in the Prime Minister's Office as saying that Israel would respond positively to the summit invitation, even though negotiations are still continuing on a joint statement of principles. Media reported that these talks are making progress and Palestinian negotiators have eased their demands that the peace conference lay out a specific timetable for statehood. The Jerusalem Post quoted Miri Eisin, PM Ehud Olmert's spokeswoman, as saying, "Annapolis is not about the statement itself, and completing the statement is not an imperative for the conference." Ha'aretz reported that on Thursday Israel and the PA agreed that any future agreement between them will be conditioned on the implementation of the first stage of the road map.

The Jerusalem Post reported that Israel will be represented at Annapolis by PM Ehud Olmert, FM Tzipi Livni, and a negotiating team made up of officials from the Prime Minister's Office and the Foreign and Defense ministries. Palestinian Authority President Mahmoud Abbas will head the Palestinian delegation, which will include former Palestinian PM Ahmed Qurei (Abu Ala).

Maariv cited the Shin Bet's belief that the Palestinians might soften their demands and content themselves with an Israeli agreement to take in 100,000 refugees over the next decade. Makor Rishon-Hatzofe reported that a classified Israeli intelligence report claims that Abbas and the PA are unable to implement an agreement with Israel, and that there is a total disconnect between the Palestinians' leadership and their public.

The Jerusalem Post reported that Strategic Affairs Minister Avigdor Lieberman told the newspaper on Thursday that Egyptian and Saudi intentions to begin or revive their nuclear programs present an "apocalyptic scenario." Lieberman was also quoted as saying that Pakistan was a major threat to Israel due to the political instability there and the fact that the country has "missiles, nuclear weapons and a proven capability." Ha'aretz reported that during a meeting with PM Olmert on Thursday, Lieberman demanded that he submit the outline of the Annapolis declaration to the cabinet for approval before leaving for the meeting. Ha'aretz quoted sources close to Lieberman as saying that Olmert promised to hold such a cabinet discussion. They added that the PM has thus far behaved decently toward Lieberman's party Yisrael Beiteinu and that he has kept his promises. Ha'aretz reported that the Shas party "says 'yes' to talks but 'no' to declarations."

Major media reported that on Thursday PM Olmert and Defense Minister Ehud Barak held a private meeting to reach an understanding for routine meetings between Olmert and senior defense officials.

The Jerusalem Post reported that on Thursday Assistant Secretary of State for Near Eastern affairs David Welch told the newspaper that the United States' intention is to have a meeting at Annapolis devoted to the Palestinian issue." The newspaper reported that Welch ruled out that an "Annapolis II" was planned for Syria. On Sunday IDF Radio quoted Defense Minister Barak as saying recently in a closed forum that Israel should seriously consider opening negotiations with Syria.

Ha'aretz and Yediot reported that Israel's Ambassador to the UK, Zvi Heifetz, is expected to serve as an informal adviser to Quartet envoy Tony Blair after Heifetz's posting ends. Heifetz's stint in London is due to end next week.

Yediot reported that less than 18 months after the Second Lebanon War, Hizbullah has the 10th largest stockpile of rockets in the world. Leading media quoted Hizbullah Secretary-General as saying that the exercise his organization held this week was a "preparation for the next war." The Jerusalem Post cited Israel's concern that European countries might "downsize" from UNIFIL, as the international troops are said to be busier protecting themselves than tackling Hizbullah.

Israel Radio reported that responding to a petition by the group Physicians for Human Rights-Israel (PHR), the High Court of Justice asked the state why it will not allow severely ill Palestinians to receive medical treatment in Israel. Justice Salim Joubran rejected

PHR's request to expedite the case.

Israel Radio reported that today women from Jordan and Israel will meet along the border between the countries in an event called "Women Build a Bridge of Peace". The radio said that the Israeli delegation will comprise Jewish and Arab women, and that the delegations will be headed by a Jordanian general and Israeli Science, Culture, and Sport Minister Raleb Majadele.

Ha'aretz reported that Spain seeks to improve its ties with Israel and end the crisis that has plagued bilateral relations since the election of Jose Luis Rodriguez Zapatero in 2004. Ha'aretz quoted Carles Casajuana, foreign and security policy adviser to Zapatero, as saying on a visit to Israel that Spain is examining ways to contribute to the Annapolis peace effort. "If Spain is asked to contribute troops to the region -- as part of an Israeli-Palestinian agreement -- undoubtedly it will respond positively," Casajuana was quoted as saying.

Ha'aretz reported that Pensioner Affairs Minister Rafi Eitan is seeking to reopen the 1952 reparations agreement between Israel and Germany. He was quoted as saying that Israel sees Germany as responsible for the Holocaust survivors.

Ha'aretz quoted Menachem Ben-Sasson, Chairman of the Knesset's Constitution, Law and Justice Committee, as saying that his committee will soon begin discussing a shift from straight proportional representation to a mixed system in which some Knesset members would be elected from districts.

Leading media reported that Accountant-General Yaron Zelekha, the whistleblower in the Bank Leumi affair in which PM Ehud Olmert is allegedly involved, may soon resign.

Leading media quoted the Chairman of the Knesset's State Control Committee, Zevulun Orlev (National Religious Party) as saying on Thursday that he intended to ask State Comptroller Micha Lindenstrauss to examine the behavior of successive Israeli governments in the Pollard affair. Jonathan Pollard was quoted as saying in an interview with Yediot that he believes that senior Israeli politicians want him to commit suicide.

Ha'aretz reported that senior Israeli banking officials and analysts fear that the worsening of the world credit crunch and the continued sub-prime crisis in the US will cost Bank Hapoalim, Israel's largest bank, to lose hundreds of millions of shekels. (Thursday's exchange rate for the US dollar was 3.927 shekels.)

Leading media reported that the Tax Authority investigators intend to probe Yisrael Beiteinu MK Esterina Tartman over the alleged affair involving her partner Uri Shmuel, who is suspected of selling fuel originally meant for the PA without reporting to the Tax Authority.

1. Mideast:

Summary:

Op-Ed Page Editor Ben-Dror Yemini wrote in the popular, pluralist Maariv: "More than a fight over these or other paragraphs, the Annapolis conference will be an arena for the fight over Israel's legitimacy."

Senior columnist and longtime dove Yoel Marcus wrote in the independent, left-leaning Ha'aretz: "No Israeli prime minister has ever pretended that he could work out all the snags in our struggle with the Palestinians. For now, there is no one to talk to, and nothing to talk about."

Block Quotes:

1I. "The Tip of the Iceberg"

Op-Ed Page Editor Ben-Dror Yemini wrote in the popular, pluralist Maariv (11/9): "In the world, there are those who try to continue to nurture the enormous campaign of delegitimization [of Israel]. The academic boycott in Great Britain is only the tip of the iceberg.... In other words, [this is about] the destruction of Israel.... Now we have a golden opportunity. More than a fight over these or other paragraphs, the Annapolis conference will be an arena for the fight over Israel's legitimacy. Therefore, Israel must say yes. Yes to ending the occupation. Yes to a Palestinian state. Yes to a just solution to the refugee problem. The Palestinians already say no. They have already made it clear that they oppose the formula of 'two states for two peoples.' They are willing to have only 'two states' -- in other words, one Palestinian state immediately, and another one when the right of return is realized. Not the whole world is against us. Most of the same world supports a solution of two states for two peoples. If and when the Palestinians agree to this, it will be necessary to take into account all the correct claims of the right wing, which do not belong to it alone: how to prevent Iranization and how to prevent rockets being fired at Ben-Gurion Airport and [central Israel]. But the Palestinians want to exempt us from that discussion."

II. "A Journey to La-La Land"

Senior columnist and longtime dove Yoel Marcus wrote in the independent, left-leaning Ha'aretz (11/9): "With the same haste that characterized his decision to embark on the Second Lebanon War, Olmert declared at the Saban Forum that he is going to Annapolis with no lesser goal than solving all the fundamental historic problems of the Israeli-Palestinian conflict -- borders, refugees, Jerusalem, the whole kit and caboodle -- maybe even before President George W. Bush's term ends at the beginning of 2009.... Defense Minister Ehud Barak has rightly warned of the dangers that lie ahead in Annapolis and advised Olmert and other top ministers to look before they leap.... No Israeli prime minister has ever pretended that he could work out all the snags in our struggle with the Palestinians. For now, there is no one to talk to, and nothing to talk about. One after another, their leaders have turned out to be bloodthirsty extremists or too weak to reach an agreement, of which compromise is a central component. In the Palestinian camp, there is a sense that they have nothing to lose, while Olmert will find himself at Annapolis in a situation where he cannot say no to Condoleezza Rice, who will be flexing all her muscles to bring home at least one achievement, at our expense, before Bush leaves the White House. At most, Palestinian Authority Chairman Mahmoud Abbas will quit and Hamas will grab the reins -- a scenario that is not so far-fetched even without Annapolis. President Shimon Peres is on the ball when he says that failure is not an alternative, but a catastrophe."

12. Iran:

Summary:

Columnist Calev Ben-David wrote on page one of the conservative, independent Jerusalem Post: "Calculations involving Iran most certainly factor in as Jerusalem shows a willingness to boldly move ahead on the West Bank/Palestinian front."

The Jerusalem Post editorialized: "Germany has become a key bottleneck in the sanctions campaign."

Editorial staff member Michalis Firillas wrote in the independent, left-leaning Ha'aretz: "Iran's nuclear program, and its president's vitriol, are certainly cause for concern, but they may have served to draw our attention away from a much more immediate danger -- in Pakistan."

Block Quotes:

II. "Heading for Annapolis While Looking toward Tehran"

Columnist Calev Ben-David wrote on page one of the conservative, independent Jerusalem Post (11/9): "Resolving the Israeli-Palestinian conflict so that Israel can focus on countering the growing threat posed by an increasingly powerful Iran has been a general strategic principle going all the way back to the Oslo Accords. But never before has it seemed more urgent..... The conference is not ... simply a wedding being held on false pretenses for other purposes; the Olmert government is sincere about trying to move the Israeli-Palestinian peace process forward. But calculations involving Iran most certainly factor in as Jerusalem shows a willingness to boldly move ahead on the West Bank/Palestinian front -- as it prepares itself for a post-Annapolis period that, on the Iranian and Gaza fronts, will certainly be no honeymoon."

II. "The German Bottleneck"

The Jerusalem Post editorialized (11/9): "The sanctions train is not moving fast enough to overtake and block Iran's nuclear train. At the same time, despite US President George W. Bush's increasing insistence that Iran must be stopped, there are no external signs that he is trying, let alone succeeding, to overturn barely concealed Pentagon and State Department opposition to such a move. This leaves Israel.... Relying on Israel to take military action is the worst possible scenario short of allowing the world's foremost terrorist regime to go nuclear.... There is no excuse for the failure of the sanctions track, regardless of the obstructionism of China and Russia.... In this context, Germany has become a key bottleneck in the sanctions campaign. While France and Britain are pressing for tighter EU sanctions, Germany is hiding behind the UN, where the Chinese and Russian vetoes prevail.... [Chancellor Angela Merkel] must now have the courage to say to her public and the more than 100 major German companies still trading with Iran: Tighter sanctions are the only way to prevent war and the necessity of military action."

III. "A Twin Nuclear Crisis in 2008?"

Editorial staff member Michalis Firillas wrote in the independent, left-leaning Ha'aretz (11/9): "Iran's nuclear program, and its president's vitriol, are certainly cause for concern, but they may have served to draw our attention away from a much more immediate danger -- in Pakistan.... If Pakistan is in turmoil, starved for funds, with power devolving into the hands of various groups, including rogue elements in its powerful Inter-Services Intelligence (ISI) with known ties to Islamic extremists, nuclear proliferation is likely. This could come in the form of off-the-shelf weapons being sold to countries like Saudi Arabia, forced to turn nuclear by an Iranian bomb, or with terrorists interested in acquiring small quantities of fissile material for 'dirty bombs,' whose potential targets are many. Indeed, according to the Foreign Policy survey, three-quarters of the experts pointed to Pakistan as the country 'most likely to transfer nuclear technology to terrorists in the next three to five years.' In spite of calls for elections, these may prove to be too little too late to stem chaos in Pakistan -- which could include the loss of parts of the country to radical armed groups. For Israel and the West, this means preparing to face two nuclear crises in 2008."

JONES